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| 09/993,781 | 11/13/2001 | Brant Candelore | 080398.P420 | 8845 |

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| EXAMINER |
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PICH, PONNOREAY

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2135

| SHORTENED STATUTORY PERIOD OF RESPONSE | MAIL DATE | DELIVERY MODE |
|--|------------|---------------|
| 3 MONTHS | 01/18/2007 | PAPER |

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

| | | | |
|------------------------------|--------------------------------------|---|--|
| Office Action Summary | Application No. 09/993,781 | Applicant(s) CANDELORE, BRANT | |
| | Examiner Ponnoreay Pich | Art Unit 2135 | |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 27 October 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-47 and 57 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-47 and 57 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claims 1-47 and 57 are pending. Any well known art statements made in the prior office action not specifically and/or adequately traversed are taken as admittance of prior art as per MPEP 2144.03.

Information Disclosure Statement

Documents listed in the IDS submitted on 10/27/2006 have been considered.

Response to Amendment and Arguments

Applicant's amendments have been noted. As a preliminary matter, it is noted that applicant labeled claim 1 as "Previously presented". However, if compared to the prior version submitted on 5/5/2006, it would appear that some amendments have been made to the claim. The examiner will assume the amendments were by accident and that applicant meant for claim 1 to recite what was recited in the version submitted on 5/5/2006 since some of the amendments appear to render the claim indefinite.

Applicant's arguments were also noted. Rejections over 112, 101, and 102 made in the prior office action are withdrawn due to applicant's amendments. On page 11 of remarks submitted, applicant noted that claims 37, 41, and 42 were rejected under 102 and 103 and requested the examiner clarify which was the correct rejection. All the rejections were correct. As noted in the prior office action, the examiner interpreted the claims in more than one manner, thus multiple rejections applied, thus why there are both 102 and 103 rejections of the aforementioned claims. As per the 102 rejections, it would be moot to address them in light of applicant's amendments.

As per 103 rejections, applicant argues for claims 1-10, 14-23, 27, 32-35, 37, 38, 40-45, and 47 that Johnson and Anderl do not teach that the various levels of security are the output of a first cryptographic process. The examiner notes this limitation was not claimed and instead it is recited that the output is of the first cryptographic process and that the output comprises a plurality of authorization levels, thus it does not matter whether or not Johnson and Anderl teach that the various levels of security are the output of a first cryptographic process.

For some of the dependent claims, applicant argues the prior art does not teach "an output of a first cryptographic processing that comprises a plurality of authorization levels, with each authorization level being associated with one of the plurality of users of the card" as claimed in the independent claims from which the dependent claims depends. The examiner respectfully disagrees. Johnson teaches where a customer's fingerprint is converted into a unique numeric representation of the fingerprint and placed on a card, i.e. credit card, in encrypted format (col 9, lines 58-col 10, line 2). The fingerprint of the user is data that was obtained from a device and used as input to a first cryptographic process. The encrypted unique numeric representation is the output. One skilled should appreciate that there is a purchase limit, i.e. authorization level, associated with credit cards which changes as the card is used for purchases. Thus, because the encrypted unique numeric representation is use to verify the user of the card, it comprises a plurality of authorization levels associated with the legitimate user of the card since the purchase limit of a user changes with use of the card. This is one manner in which Johnson teaches the limitation being argued. Johnson also teaches

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the limitation because he discloses in column 10, lines 24-33 where a user scans their fingerprint into a reader and a computer verifies whether or not the use is the legitimate owner of the card. This is done by comparison with the encrypted unique numeric representation stored in the card previously discussed. If the user is validated, the computer prints a check and places the fingerprints of the user onto the check or credit card transaction. In this second interpretation, the input is the user's fingerprint read by the fingerprint reader and used in an authentication process, where the fingerprint is compared with the encrypted unique numeric representation stored on the card. The output is the fingerprints that were printed onto the check or credit card transactions if the result of the comparison was good. One skilled should appreciate that not all transactions are for the same amount, thus the output would be associated with different authorization levels or purchase amounts each time the card is used. Each levels or purchase amounts are associated with the user of the card and his/her purchase limits.

Claim Objections

Claim 1 is objected to because of the following informalities: There appears to be some amendments made to claim 1 that were made by accident, compare to version of claim 1 submitted on 5/5/2006. The examiner will assume the amendments were inadvertent and will assume the version of claim 1 submitted on 5/5/2006 is the one to be examined since some of the amendments may render the claim indefinite. Appropriate correction is required.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-10, 14-23, 27, 32-35, 37-38, and 40-45, and 47 are rejected under 35 U.S.C. 103(a) as being unpatentable over Johnson (US 5,598,474) in view of Anderl et al (US 4,816,653).

Claims 1 and 14:

Johnson discloses:

1. Obtaining data from a device for use as an input to a first cryptographic process (col 5, lines 12-22 and col 6, lines 34-62).
2. Creating an output of the first cryptographic process wherein the output comprises a plurality of authorization levels (col 10, lines 24-33).
3. Writing the output from the first cryptographic process to a storage location after the device is received by a particular user, wherein each authorization level is associated with the particular user (col 10, lines 24-33).

Johnson does not explicitly disclose the particular user is in a plurality of users that are authorized to use the device, wherein each authorization level is associated

with one of the plurality of users. However, Anderl discloses a data carrier in the form of a card wherein a particular user of the card is in a plurality of users that are authorized to use the card/device, wherein each authorization level is associated with one of the plurality of users (col 5, line 7-col 6, line 19 and col 7, lines 11-31).

At the time applicant's invention was made, it would have been obvious to one skilled in the art to modify Johnson's invention according to the limitations recited in claims 1 and 14 by incorporating Anderl's teachings. One skilled would have been motivated to do so because it would allow a user to use the same card to manage multiple accounts and Anderl's teachings would allow flexibility in handling different type of applications associated with each account (Anderl: col 2, lines 13-16). Being able to manage multiple accounts with just one card is convenient for a user.

Claim 27:

Claim 27 is directed towards an apparatus comprising a processor and a physical device communicatively coupled with the processor, the processor and physical device performing the method of claim 1. Claim 27 is rejected for much the same reasons given in claim 1. Note that in Johnson's invention, computer 20 reads in an input, i.e. fingerprint, of a user and converts it into an encrypted unique numeric representation (col 9, line 58-col 10, line 2). One skilled should appreciate that all computers have processors. Further, the encrypted unique numeric representation is placed into a magnetic strip of a credit card. The device that does this can be considered the physical device recited in claim 27. Johnson also discloses computer 20 printing a check and placing the fingerprints of a card user onto a check or credit card

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transactions (col 10, lines 24-33). The device attached to the computer that does the printing/writing can alternatively be considered the physical device coupled to the processor of computer 20.

Claim 37:

Johnson discloses:

1. A transaction terminal, i.e. computer 20 and magnetic card reader 23, configured to communicate with a device, i.e. magnetic/credit card 22, the transaction terminal comprising a hardware component that reads an output of a first cryptographic process from the device, wherein the first cryptographic process and a second cryptographic process are used to validate a transaction, the output comprising a plurality of authorization levels (col 6, lines 34-57 and col 9, line 58-col 10, line 33).

Johnson does not explicitly disclose a plurality of users are authorized to use the device, and wherein each authorization level is associated with one of the plurality of users. However, the limitation is disclosed by Anderl (col 5, line 7-col 6, line 19 and col 7, lines 11-31). At the time applicant's invention was made, it would have been obvious to one skilled in the art to modify Johnson's invention according to the limitation recited in claim 37. One skilled would have been motivated to incorporate Anderl's teachings within Johnson's invention for the same reasons given in claim 1.

Claims 2, 15, and 32:

Johnson discloses wherein the first cryptographic process is based on a time stamp (col 10, lines 20-33). One skilled should appreciate that when writing a check, the check is usually dated, i.e. time stamped.

Claims 3 and 16:

Johnson further discloses wherein the data is obtained from the particular user (col 5, lines 12-22 and 51-59).

Claims 4 and 17:

Johnson further discloses wherein the data is entered with at least one of a biometric device, a keypad, and a microphone (col 5, lines 12-22 and 51-59).

Claims 5 and 18:

Johnson further discloses creating an output of a second cryptographic process, wherein the data is used as input the second cryptographic process, i.e. credit card transactions (col 5, lines 51-59 and col 6, lines 34-49).

Claims 38:

Johnson further discloses wherein the second cryptographic process to be performed by at least one of a transaction terminal, a financial processing system, a transaction privacy clearing house, the device, and a vendor (col 6, lines 34-57).

Claims 6, 19, and 40:

Johnson further discloses the second cryptographic process is based on a time stamp (col 10, lines 20-33). One skilled should appreciate that credit card transactions are time stamped.

Claims 7 and 20:

Johnson further discloses wherein the second cryptographic process is performed by at least one of a device, a point of sale terminal, a transaction privacy clearing house, a vendor, and a financial processing system (col 6, lines 34-56).

Claims 8 and 21:

Johnson further discloses comparing at least one of the output of the first cryptographic process and the input to the first cryptographic process with at least one of the output of the second cryptographic process and the input to the second cryptographic process (col 6, lines 34-56).

Claims 9 and 22:

Johnson further discloses allowing a transaction based on the comparing (col 6, lines 34-56).

Claims 10 and 23:

Johnson does not explicitly disclose preventing the transaction based on the comparing. However, this limitation was well known in the art. As Johnson discloses the comparison being done for a validation and security check (col 6, lines 34-56), it would have been obvious to one of ordinary skill to modify Johnson's invention such that if the comparison does not indicate a valid match that the transaction would be prevented. One of ordinary skill would have done so for security purposes.

Claim 33:

Johnson further discloses a user interface communicatively coupled with the processor, wherein the input to the first cryptographic process comprises data entered from the user interface (col 5, lines 12-22 and 52-59).

Claim 34:

Claim 34 recites a limitation substantially similar to claim 4 and is rejected for the same reasons.

Claim 35:

Johnson further discloses wherein the processor confirms an identification, the identification selected from the group consisting of DNA identification and biometric data (col 5, lines 12-22 and col 6, lines 34-56). Johnson also discloses that personal identification number was often used for identification purposes in most of today's ID cards (col 1, lines 44-46).

Johnson does not disclose voice identification being one of the groups of selected identification. However, voice identification systems were well known at the time the applicant's invention was made. One of ordinary skill would be motivated to use it as it is a commonly used identification scheme.

Claims 41:

Johnson further discloses wherein a comparison of at least one of the output of the first cryptographic process and the input to the first cryptographic process with at least one of an output of the second cryptographic process and an input to the second cryptographic process allows a transaction if a result of the comparison is within a predetermined range (col 6, lines 34-57).

Claims 42:

Johnson further discloses wherein the comparison occurs at the transaction terminal (col 6, lines 34-57).

Claims 44:

Johnson further discloses comparing at least one of the output of the first cryptographic process and the input to the first cryptographic process with at least one of the output of the second cryptographic process and the input to the second cryptographic process (col 6, lines 34-57).

Johnson does not explicitly disclose wherein the comparison prevents a transaction. However, as Johnson discloses the comparison being done for a validation and security check (col 6, lines 34-57). One skilled should appreciate that in validation and security checks, if the comparison does not indicate a valid match that the transaction would be prevented as the purpose of doing the check is to prevent unauthorized transactions.

Claims 45:

Johnson further discloses wherein the comparison occurs at the transaction terminal (col 6, lines 34-57).

Claim 47:

Johnson further discloses wherein the device comprises a personal transaction card (col 6, lines 32-37).

Claims 39 is rejected under rejected under 35 U.S.C. 103(a) as being unpatentable over by Johnson (US 5,598,474) in view of Anderl et al (US 4,816,653) and further in view of Reeder (US 6,014,636).

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Claims 39:

Johnson discloses wherein the transaction terminal is a point of sale (POS) terminal (col 6, lines 34-57). Johnson does not explicitly disclose wherein the transaction terminal is selected from the group consisting of a home computer system, a bank automatic teller machine (ATM) terminal, digital television, internet appliance, and personal POS terminal.

However, Reeder discloses a transaction terminal can be a home computer system, a bank automatic teller machine terminal, digital television, internet appliance, and personal point of sale terminal (col 1, lines 5-32 and col 3, lines 5-9). In light of this it would have been obvious to one of ordinary skill in the art at the time the applicant's invention was made to have further modified Johnson's invention according to the limitations recited in claim 39. One of ordinary skill would have been motivated to do so as Reeder discloses that his teachings would allow a customer to not be present at the merchant's location and can instead select merchandise and effectuate payment at home (col 2, lines 31-35).

Claims 11-12, 24-25, 36, 43, 46, and 57 are rejected under 35 U.S.C. 103(a) as being unpatentable over Johnson (US 5,598,474) in view of Anderl et al (US 4,816,653) and further in view of Gordon et al (US 6,289,323).

Claims 11 and 24:

Johnson does not explicitly disclose wherein the comparing occurs without providing an identity of the particular user. However, Gordon discloses a comparison occurring without providing an identity of the particular user (col 2, lines 16-24). In light of this, it would have been obvious to one of ordinary skill in the art at the time the applicant's invention was made to have further modified Johnson invention according to the limitation recited in claims 11 and 24. One of ordinary skill would have been motivated to do so as Gordon discloses that his teachings can be used for conducting monetary transactions (col 2, lines 1-4). The examiner also notes that occasionally, a user might want to remain anonymous to some of the parties involved.

Claims 12, 25, and 36:

Johnson does not explicitly discloses wherein one of the plurality of authorization levels comprises a limit on transactions to be authorized, the limit being at least one of limiting an amount of money to be spent in a given time period, barring certain users from making certain types of transactions, and barring certain types of transactions. However, the examiner notes that this limitation is well known in the art at the time the applicant's invention was made, such as with credit card or gift certificate usage wherein the limitation is enforced as a way to make sure a user does not overspend or to control the spending habits of users. It would have been obvious to one of ordinary skill in the art to modify Johnson's invention according to the limitations recited in claims 12, 25, and 36 to control user spending.

Further, Gordon discloses wherein authorization levels comprises a limit on transactions to be authorized, the limit being at least one of limiting an amount of money

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to be spent in a given time period, barring certain users from making certain types of transactions, and barring certain types of transactions (col 1, lines 39-43 and col 3, lines 25-48). In light of this, it would have been obvious to one of ordinary skill in the art at the time the applicant's invention was made to have further modified Johnson's invention according to the limitation recited in claims 12, 25, and 36. One of ordinary skill would have been motivated to incorporate Gordon's teachings for the same reasons given in claims 11 and 24.

Claims 43 and 46:

Johnson does not explicitly disclose wherein the comparison occurs without providing an identity of the plurality of users. However, Gordon discloses a comparison occurring without providing an identity of the plurality users (col 2, lines 16-24). In light of this, it would have been obvious to one of ordinary skill in the art at the time the applicant's invention was made to have further modified Johnson invention according to the limitation recited in claims 43 and 46. One of ordinary skill would have been motivated to do so as Gordon discloses that his teachings can be used for conducting monetary transactions (col 2, lines 1-4). The examiner also notes that occasionally, a user might want to remain anonymous to some of the parties involved.

Claim 57:

Claim 57 recites a limitation substantially similar to what is recited in claims 12 and 36 and is rejected for the same reasons.

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Claims 13, 26, and 28-31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Johnson (US 5,598,474) in view of Anderl et al (US 4,816,653) and further in view of Weissman (US 6,353,811) and Waite et al (US 5,594,230).

Claims 13 and 26:

Johnson further discloses wherein the storage location is selected from the group consisting of a magnetic strip and a personal transaction card (col 5, line 55). Johnson does not explicitly disclose the group also consisting of a magnetic strip emulator and a bar code emulator. However, a magnetic strip emulator and a bar code emulator are well known and commonly used types of storage mediums for identification data.

Further, Weisman discloses a magnetic strip emulator being used to store data (col 3, lines 62-67). Waite discloses a bar code emulator being used to store data (col 4, lines 29-33). In light of this, it would have been obvious to one of ordinary skill in the art to have included a magnetic strip emulator and bar code emulator as one of the choices for the storage location. One of ordinary skill would have been motivated to do so as a magnetic strip emulator and bar code emulator were common form of storage locations. Further, Weisman discloses that a magnetic strip emulator can use used in an electronic wallet (col 3, lines 62-67) and Waite discloses that use of a bar code emulator can allow extensive set of test operations of a bar code reader (col 4, lines 23-28).

Claims 28-31:

Claims 28-31 discloses limitations substantially similar to the ones rejected in claims 13 and 26. As such they are rejected for the same reasons given in claims 13 and 26.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ponnoreay Pich whose telephone number is 571-272-7962. The examiner can normally be reached on 9:00am-4:30pm Mon-Fri.

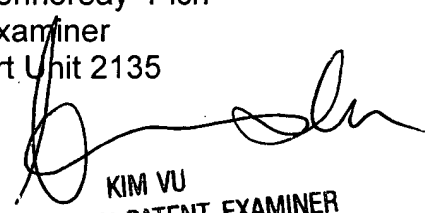
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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kim Vu can be reached on 571-272-3859. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

PP

Ponnoreay Pich
Examiner
Art Unit 2135



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